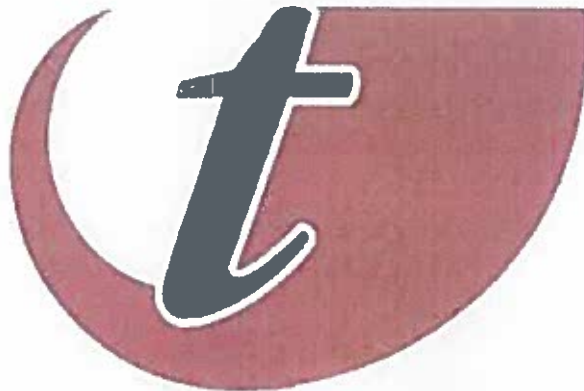


2017/2018



competitiontribunal
south africa

ANNUAL PERFORMANCE PLAN
(as amended and approved on 7 February 2018)

Foreword

It is my pleasure to table the Annual Performance Plan of the Competition Tribunal (Tribunal), a vital part of the country's competition authorities.

Government's central goal, namely to attain higher and more inclusive growth, in order to create more jobs, is encapsulated in the National Development Plan vision and the New Growth Path jobs drivers.

The Economic Development Department's strategic objectives are, *inter alia*, to

- to coordinate jobs drivers and the implementation of the New Growth Path strategy in support of the National Development Plan
- coordinate infrastructure development and strengthen its positive impact on the economy and citizens
- promote productive investment, industrial financing and entrepreneurship
- promote competition, trade and economic regulation in support of job creation, industrialisation and social inclusion.

All of these objectives benefit from the work of the competition authorities.

These strategic objectives are supported by a well-run Tribunal that promotes the objectives of the Competition Act, a piece of legislation that has unusually strong public-interest elements included in its provisions.

The Tribunal aims to deliver well-reasoned competition decisions within the time frames set out in the Competition Act.

I recognise that, as an adjudicator, the Tribunal's agenda is largely driven by the cases brought to it by the Competition Commission, making both its strategic outlook and annual planning subject to some unpredictable elements.

The decisions of the Tribunal on public interest issues, particularly employment, continue to provide clarity to businesses contemplating a merger or an acquisition on their responsibilities towards employees and the national development goal of growing employment and promoting inclusive growth.

In the years ahead, as the country focuses on greater levels of economic inclusivity, the work of the competition authorities will grow further in importance.

The Tribunal has applied itself with integrity and professionalism, hallmarks that must continue to be at the core of the institution.

I have reviewed the Tribunal's annual performance plan and I am satisfied that the Tribunal is taking adequate steps to increase its institutional capacity to meet its challenges, both in terms of staffing and the administrative systems it is choosing to adopt to improve efficiencies.

I will provide the Tribunal with my support to ensure the implementation of its annual performance plan 2017/18.




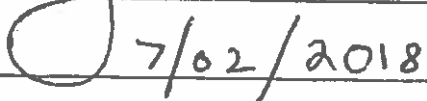
Ebrahim Patel
Minister of Economic Development
Executive Authority of the Competition Tribunal

Official sign-off



It is hereby certified that this Annual Performance Plan of the Competition Tribunal for the period 2017 – 2018 was:

- i) Developed by the management of the Competition Tribunal under the guidance of the Accounting Authority – Mr. Norman Manoim.
- ii) Prepared in line with the Competition Tribunal's Strategic Plan for the five year period 2015/2016 – 2019/2020.
- iii) Accurately reflects the performance targets (as amended and approved on 7 February 2018) the Competition Tribunal will endeavour to achieve over the period 2017/ 2018



Janeen de Klerk
Chief Operating Officer – Competition Tribunal

Signature: 
Date: 

Norman Manoim
Chairperson – Competition Tribunal

Signature: 
Date: 

Ebrahim Patel
Executive Authority - Economic Development Department

Signature: 
Date: 

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Part A: Strategic Overview

1. Updated Situational Analysis

The Strategic Plan for the five year planning period (2015/2016 – 2019/2020) provides a detailed description of the current situational analysis, including the performance environment and the organisational environment.

The Strategic Plan was tabled in Parliament on 11 March 2015 and no significant policy shifts or changes in the service-delivery environment have occurred that will warrant amendments to the Strategic Plan.

The Competition Tribunal (hereinafter referred to as the Tribunal) is a small organisation with a current staff complement of 21 (excluding the full-time Tribunal members) In addition we currently employ five short term interns and two long term interns .

There have been no major changes to the situational analysis that need to be detailed in the Annual Performance Plan (hereinafter referred to as APP) for the period 1st April 2017 – 31st March 2018.

The increase in the volume and complexity of matters brought before the Tribunal has resulted in the need to increase capacity in the registry and case management divisions.

In addition the Tribunal has reorganised the responsibilities of administrative staff in order to increase skills capacity in the finance division and allow the Chief Operating Officer to focus more on strategic rather than operational management issues.

In November 2016 the two vacant Tribunal member positions were filled with the appointment of a full-time Deputy Chairperson and an additional part-time member.

The Tribunal and Commission have come to a short term arrangement to resolve their immediate office space problems with an internal move which will free up more office space for both institutions. A longer term solution is being considered as well.

2. Revisions to legislative and other mandates

In May 2016 Section 73A of the Competition Amendment Act came into effect. This section introduced the imposition of criminal liability for directors of firms found guilty of cartel activity.

This legislative change may impact on the Tribunal's operations because a criminal charge can only be brought against an employee of a firm after a finding is made by the Tribunal against the employee's firm. This may mean that employees of a firm apply to be separately represented in Tribunal hearings from the firm that employs them thus possibly prolonging hearing time in opposed cases.

3. Overview of 2017/2018 budget and MTEF estimates

3.1. MTEF Estimates

The Tribunal's budget (inclusive of capital expenditure) over the MTEF period (2017/2018 – 2019/2020) is estimated to be R 153.81m.

Following the MTEF process that took place in July 2015 the Tribunal was awarded an additional allocation of R 21.66m by EDD to its baseline. As a result of this additional allocation the Tribunal will be in a position to fund its budget over the review period as follows:

- i) Economic Development Department (EDD) grant funding of R 102.18m m for three years
- ii) Expected filing fee revenue of R 40.32m (assuming continued merger activity)
- iii) Expected retained cash surpluses as at March 2017 of R 5.66m

The Tribunal is a small organisation and given fiscal constraints it operates on a tight budget adopting a "no frills" approach in managing expenses.

The Commission is currently in discussion with the EDD with regard to changes to the manner in which filing fees are levied on merger parties. As the Tribunal in terms of an arrangement with the Commission shares a proportion of these fees and an increase in filing fees will increase income although the extent cannot yet be projected until the date and amount of the increase are determined.

It is imperative to note that historically the Tribunal has only been able to balance its budget by using retained surpluses. The escalation in the grant allocated by government for the MTEF period has been applied using a straight line approach for all 4 years increasing the allocation by roughly 5% annually. This straight line approach was sufficient while the Tribunal was in the position to use retained surpluses.

The additional grant of R 8.92m in 2017/2018 and R 12.74m in 2018/2019 is not required because our budget is inflated, but because we can no longer rely on retained surpluses to fund shortfalls in budgeted expenditure as we did in the past.

The retained surpluses held by the Tribunal have been drawn down year on year to fund budgeted expenditure. This "drawing down" has been reflected in the MTEF/ENE submissions and communicated in the Tribunal's Strategic Plan and APP annually since November 2010.

The MTEF submission made by the Tribunal in November 2016 (and in prior years) reflects a shortfall of R 4.06m to cover budgeted expenditure for 2019/2020.

The Tribunal has also indicated to National Treasury and the EDD that additional funding is required for certain operational expenses over the MTEF period and that larger grant allocations should be made to the Tribunal from 2020/2021 onwards as there will be no accumulated surpluses available to bridge the funding gap.

Annexure A provides a graphical representation of the historic funding and expenditure pertaining to the Tribunal's activities. From **Figure 1** it is evident that the Tribunal's expenditure has increased at a relatively constant rate since its inception, however the grant allocated to the Tribunal has not and, in fact reflects slower growth. The fluctuations in filing fees are clearly evident – once again posing budgeting difficulty for the Tribunal as there is no certainty or clear trend with regard to this revenue source.

Figure 2 indicates that although the number of cases fluctuates annually there has been a constant increase in the number of matters heard over the period and hence we have had to increase our infrastructure and service provision to meet this demand and thus the steady rise in expenditure.

Annexure B reflects the Statement of Financial Performance over the MTEF period included in the ENE submitted in August 2016 while **Annexure C** contains a summarised version of the Tribunal's budgetary requirements over the five-year planning period.

The budget has been drawn based on the consumer price index (CPI) of 6.2 %, 5.9% and 5.6% respectively for the years 2018/2019 and 2019/2020 as recommended by National Treasury.

Cost of living (COL) adjustments for non SMS level staff are consistent throughout the MTEF period and are set at 7.6% while those for SMS level staff, part-time and full-time Tribunal members are set at 4.4% for 2017/2018 and 4% annually thereafter

3.2. Expenditure Estimates

A detailed one-year budget for the 2017/2018 year is included in **Annexure D**.

As stated in the Strategic Plan 2015/2020 the Tribunal is an adjudicative body and hence reactive in terms of the cases brought before it. It is therefore difficult to accurately predict the number of cases to be heard annually. This means that budgeting accurately becomes difficult as many of the line items are based on an estimated number of cases to be heard in that year. The net result is that variances in actual expenditure as opposed to budgeted expenditure do arise.

In drafting the budget over the MTEF the Tribunal has given consideration to the main assumptions listed below for the 2017/2018 budget and has then applied the adjustments indicated in Section 3.1 above.

Prior year expenditure – particularly with regard to operational expenses is reviewed to determine whether expenditure in the future will follow similar trends. The Tribunal's budget is an operational budget and is not programme/project driven and 58.44% of the budget is allocated to personnel expenses (excluding fees payable to part-time Tribunal members).

The remainder of the budget is driven by expected adjudicative activity and specific training or IT requirements year on year. As a result little reprioritisation can take place.

The main assumptions made in drafting the 2017/2018 budget are as follows:

- i) The appointment of a more senior position in the Finance Division
- ii) The appointment of an additional resource in the Finance Division

- iii) An escalation of 10% on the leasing fee charged by the dti from R 319.00 per square metre to R 350.90 per square metre
- iv) 7.6% cost of living increase for non-SMS staff, 4.4 % for SMS staff and Tribunal members
- v) Provision for promotional adjustments of 2 % in the salaries of the secretariat staff
- vi) Provision for performance bonuses at an average 9 % of basic salary for secretariat staff
- vii) 411 person days spent in hearings, preparations and decision writing by part-time Tribunal members for the year (prior year was 405.50 person days)
- viii) The daily fee payable to part-time Tribunal members for attendance at hearings/preparation and decision writing is budgeted at R 9 396.00 per day
- ix) All other costs associated with holding hearings are based on the estimate in (vii) above
- x) Three international conferences/workshops/seminars to be attended over the year by a total of 10 people (four Tribunal members, the Head of Case Management and five case managers)¹
- xi) All local air travel is on economy class
- xii) One Tribunal member and one case manager to represent the Tribunal at two Organisation for Economic Cooperation and Development (OECD) meetings
- xiii) Two case managers to attend one regional workshop²
- xiv) Two executive members and the Head of Registry to attend four parliamentary portfolio committee meetings
- xv) One case manager to attend two Appeal Court hearings
- xvi) Specific IT requirements year on year – inclusive of hardware and software support

In drafting the budget we have taken heed of National Treasury's request to curb expenditure and as illustrated in the table below the increment in our budget from 2017/2018 onwards is kept at less than 8% year on year.

CATEGORY	2016/2017	2017/2018	2018/2019	2019/2020
INCOME	R'm	R'm	R'm	R'm
Filing fees	11.52	13.44	13.44	13.44
Other income	0.78	0.88	0.72	0.06
Use of retained surpluses	9.27	3.85	1.74	0.00
EDD Grant	21.20	30.04	35.09	37.05
TOTAL INCOME	42.77	48.21	50.99	50.55
EXPENDITURE	R'm	R'm	R'm	R'm
Expenditure	41.44	47.02	50.08	53.17
Capital Expenditure	1.33	1.19	0.91	1.44
TOTAL EXPENDITURE	42.77	48.21	50.99	54.61
DEFICIT	0.00	0.00	0.00	0.00
ADDITIONAL EDD GRANT REQUIRED	0.00	0.00	0.00	0.00
ANNUAL BUDGET INCREMENT		12.72%	5.77%	7.10%

¹ While the budget makes provision for new Tribunal members and case managers to attend certain workshops that focus on competition economics and competition best practice it is possible that we may reduce attendance based on operational requirements

² See (1) above

The table above illustrates that additional funding is required in 2019/2020 in order for the Tribunal to meet its future budgeted expenditure.

The table below illustrates the Tribunal's budget allocation across the various expenditure categories for both the current and the next financial year.

CATEGORY	2017-2018	2016-2017
PERSONNEL	58.11%	56.01%
PT TRIBUNAL MEMBERS	9.38%	9.70%
TRAINING	3.67%	3.15%
CONFERENCES AND SEMINARS	0.76%	1.08%
SHARED SERVICE FEE	1.44%	1.45%
FACILITY FEE	6.87%	7.04%
CONSULTING	0.52%	0.86%
LEGAL FEES	0.31%	0.00%
TRANSCRIPTION COSTS	1.63%	1.43%
AUDIT EXPENSES	4.03%	3.90%
RECRUITMENT COSTS	0.34%	0.00%
ADMIN EXPENSES	3.67%	3.69%
AMORTISATION	0.53%	0.54%
DEPRECIATION	1.22%	1.43%
OTHER IT EXPENDITURE	3.68%	5.00%
REPAIRS/MAINTENANCE	0.09%	0.10%
CAPITAL EXPENDITURE	2.46%	3.10%
APPEALS COURT BUDGET	1.30%	1.50%
TOTAL PERCENTAGE	100.00%	100.00%
TOTAL EXPENDITURE	48 206 470	42 770 079

67.49 % of the Tribunal's current budget will be spent on personnel expenses (including the fees paid to the part-time Tribunal members (9.38%)).

"Shared service fee" refers to the payments made to the Competition Commission for shared services (in terms of a Memorandum of Agreement (MOA)) while "facility fee" refers to the fee the Tribunal is required to pay the dti for occupying space on the campus. These two figures, together, account for 8.31 % of the budget. Costs associated with audits (internal, external audit fees and audit committee expenses) account for 4.03% of the budget while administrative expenses account for 3.67% of the budgeted expenditure.

The Tribunal, in drawing the budget, has attempted to rationalise spending as far as possible, given the limited scope its activities provide for cost cutting exercises. The Tribunal has kept the number of overseas and regional conferences/workshops to be attended by Tribunal members and staff members to five this annum,

As indicated in the Strategic Plan, the Tribunal receives a portion of the filing fees paid to the Commission for the filing of merger applications. For the 2017/2018 financial year this is estimated by the Commission to be R 13.44m.

Given that these fees, together with the MTEF allocation of R 30.04m for the 2017/2018 financial year, are not sufficient funding to cover the Tribunal's expected expenditure of R 48.21m (inclusive of

capital expenditure), the Tribunal has estimated that it will use approximately R 3.85m in retained surpluses to cover a portion of its projected shortfall.

3.3. Relating Expenditure Estimates to Strategic Outcome Goals

The Tribunal, being an adjudicative body that responds to matters brought before it, is not project or programme driven and for this reason the budget is primarily an operational/administrative budget.

Prior to the beginning of the previous financial year (2015/2016) the Tribunal undertook a review of its strategic outcomes and goals.

While the strategic outcomes related to its mandate and core business remain unchanged the operational and administrative aspects of its activities were unpacked to include objectives related to oversight and financial management.

The three strategic objective outcome (SOO) goals (focus areas) identified by the Tribunal are detailed in the table below. In addition strategic objectives, indicators and targets associated with each SOO are reflected in detail in Annexure F of the Strategic Plan for the five year period to 2019/2020. All targets reflected in the Strategic Plan were reassessed and revised based on the average baseline performance over the last three years (2011/2012 to 2013/2014). These objectives, indicators and targets are reflected in Annexure E of this document for the MTEF period to 2019/2020 and in Annexure F of this document for the 2017/2018 financial year.

SOO Goal 1	Adjudicative Excellence
Goal Statement	To ensure effective and efficient adjudication on matters brought before the Tribunal.
SOO Goal 2	Stakeholder Relationships
Goal Statement	To build and develop effective stakeholder relationships.
SOO Goal 3	Accountable, Transparent and Sustainable Entity
Goal Statement	To ensure effective leadership, transparency and accountability in the Tribunal through capacity building, effective reporting, policy management and financial compliance.

It is difficult to allocate the Tribunal's entire budget across the three SOO Goals identified in the Tribunal's strategic plan; however, the Tribunal has managed to allocate **74.37%** of the annual budget across the three strategic objective outcomes as illustrated in the table below:

Strategic Outcome Objective Goal	Budget	% of budget
To ensure effective and efficient adjudication on matters brought before the Tribunal	R 25 657 151.31	53.22%
To build and develop effective stakeholder relationships.	R 1 152 965.92	2.39%
To ensure effective leadership, transparency and accountability in the Tribunal through capacity building, effective reporting, policy management and financial compliance.	R 9 040 325.38	18.75%

The remaining 25.63% of the budget is distributed as follows:

- Administrative costs – 20.12%

- Depreciation/Amortisation – 1.75%
- Capital expenditure – 2.46%
- Appeal Court costs – 1.30%

3.4. The Competition Appeal Court

The *Competition Act* (1998) set up a triad of institutions (the Commission, the Tribunal and the Competition Appeal Court (CAC)) with exclusive jurisdiction over competition matters (that is, chapters 2 and 3 of the Act).

The CAC is a specialised division of the High Court comprising at least 3 Judges, each of whom must be a Judge of the High Court. The CAC may review, or consider an appeal arising from, any Tribunal decision.

CAC Judges are appointed by the President, on the advice of the Judicial Services Commission. The tenure of office, remuneration and terms and conditions of service of a Judge of the High Court is not affected by his/her appointment to the CAC.

The Registrar of the Tribunal (and CAC) liaises with the Judicial Services Commission over the appointment of CAC Judges and is responsible for the training of the Judges. The Tribunal secretariat provides the registry function for the CAC and the registrar of the Tribunal acts as the Registrar of the CAC.

At present the Tribunal includes the Appeal Court as a line item in its budget and is responsible for the financing of all aspects of the Appeal Court except for personnel expenses.

As is the case with the Tribunal it is difficult to predict the number of appeals that may be lodged against Tribunal decisions and as a result budgeting becomes difficult and variances do occur.

The budget for 1st April 2017 - 31st March 2018 is estimated at R 628 913.45 and is reflected in the table below.

CATEGORY	2017/2018 BUDGET
Local travel	22.09%
Administrative expenses	5.66%
Conferences attendance and overseas travel	59.23%
High Court meetings/training	13.02%
Total	100.00%

The Superior Courts Act (Act No. 10 of 2013) has been promulgated and the Competition Appeal Court has been incorporated into this statute. As a result of this, it may be possible going forward that the Tribunal will no longer be responsible for the Appeal Court budget, but until then the Tribunal continues to provide administrative and financial support to the Court.

3.5. Materiality Framework

Annexure G reflects the Tribunal's materiality framework for the period 1st April 2017 – 31st March 2018.

The Tribunal is not a capital intensive institution and revenue generated from filing fees and total expenses (exclusive of capital expenditure) are identified as being the best reflection of the Tribunal's activities and are therefore used as the basis for the calculation of a materiality figure.

The materiality figure of R 485 690.00 is determined by taking the average of 1% of actual revenue and actual expenditure in 2015/2016.

Part B: Organisational Plans

4. Strategic Objectives in the Tribunal

4.1. Strategic objective annual targets for the MTEF period (2017/2018 to 2019/2020)

As indicated earlier in this document and in the Strategic Plan, the Tribunal has identified three SOO Goals. Each of these SOO goals has been further unpacked to reflect one or more strategic objective per SOO goal. Specific outputs, annual performance indicators and annual targets are assigned per objective for each year of the MTEF period. These together with prior performance against common year on year objectives are tabulated in Annexure E.

4.2. Performance Indicators, quarterly and annual targets

Specific outputs, performance indicators and targets have been assigned for the 2017/2018 and are tabulated in Annexure F.

4.3. Reconciling targets with the budget and MTEF

As indicated in Section 3.3 of the APP, the Tribunal has been able to allocate 74.37% of its budget against the SOO goals. In doing so the Tribunal has been able to determine the direct costs associated with the core business – hearings - and has also been able to allocate a substantial portion of the budget against other stated strategic objectives.

The entire 2017/2018 budget can therefore be divided against the strategic objective as illustrated in the table on the next page:

STRATEGIC OBJECTIVE	LINK TO OBJECTIVE	BUDGET (R)
Timeous hearings and issuing of judgements (direct hearing costs)	Objective 1. 1 and 1.2	23 310 151.72
Effective business processes	Objective 1.3	2 346 999.58
Stakeholder awareness	Objective 2.1, 2.2 and 2.3	1 152 965.92
Effective oversight and good governance	Objective 3.1 and 3.2	3 841 871.41
Effective financial management	Objective 3.3 and 3.4	2 159 152.62
Sustainable capacity	Objective 3.5	3 039 301.35
Administration (incl. depreciation)	N/A	10 543 015.66
Capital Expenditure	N/A	1 184 098.32
Competition Appeal Court	N/A	628 913.45
TOTAL BUDGET		48 206 470.03

At present, direct hearing costs include the total salaries of the full-time Tribunal members and all case managers/researchers and registry staff despite the fact that they may perform functions that are not specifically case related.

The CMS (in full) system currently in operation enables us, to some extent determine the ratio between case and non-case related work but this is not entirely accurate. Over time we hope to investigate this issue further in order to arrive at a more accurate costing of the Tribunal's core business.

The Tribunal will, on a quarterly basis, report on progress with regard to the achievement of targets and costs associated with pursuing achievement of these targets to the EDD, National Treasury and to other stakeholders.

Annexure G reflects the allocation of the Tribunal's audited outcome (2013/2014 – 2014/2015), preliminary outcome (2015/2016), revised estimate (2016/2017) and medium-term estimate (2017/2018 – 2019/2020) between the strategic objectives, administrative expenses and the Competition Appeal Court as included in the MTEF submitted in August 2016.

Annexure A: Historical Representation

Figure 1: Historical representation of Tribunal expenditure and funding 1999 – 2016

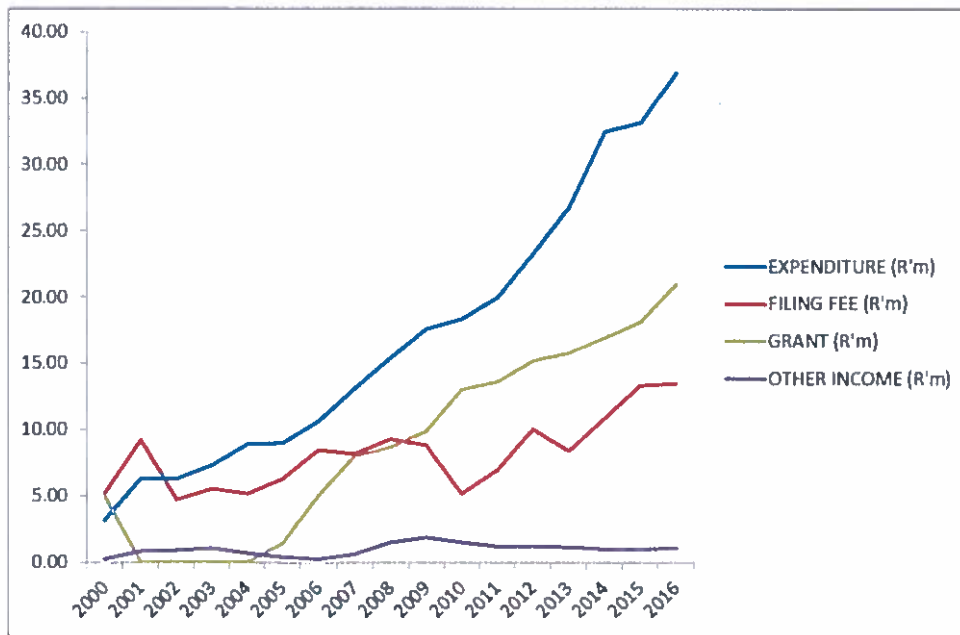
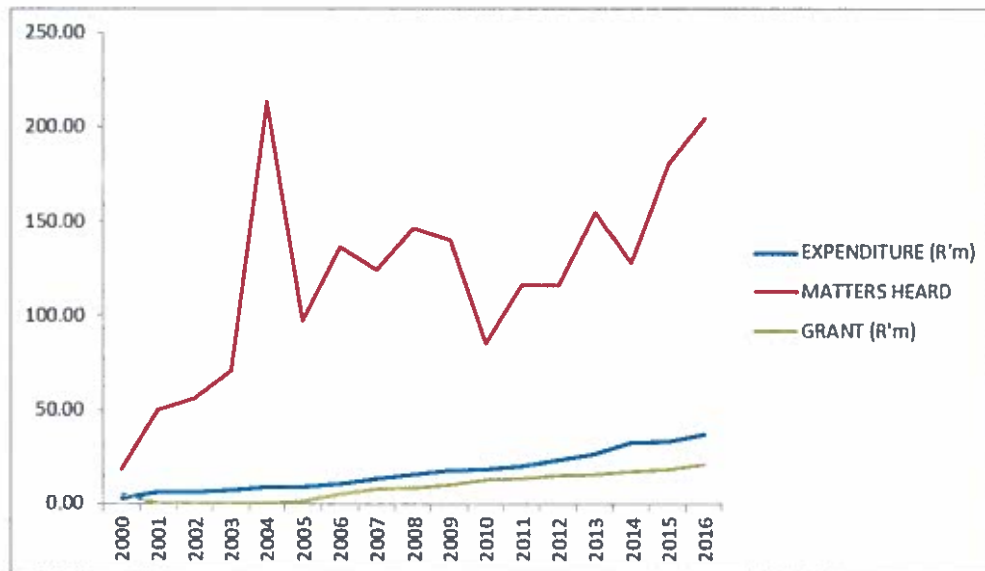


Figure 2: Historical representation of matters heard, expenditure and grant allocation



Annexure B: Statement of Financial Performance – MTEF submission November 2016

Statement of comprehensive income	2013/14		2014/15		2015/16		2016/17		2013/14-2016/17			2016/17 - 2019/20				
	Budget	Audited Outcome	Budget	Audited Outcome	Budget	Preliminary outcome	Budget estimate	Revised estimate	Outcome/Budget Average %	Average growth rate (%)	Expenditure/total: Average (%)	2017/18	2018/19	2019/20	Average growth rate (%)	Expenditure/total: Average (%)
	2013/14	2014/15	2015/16	2016/17	2016/17	2016/17	2016/17	2016/17	2013/14-2016/17	2013/14-2016/17	2013/14-2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2016/17 - 2019/20
Revenue																
Tax revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-tax revenue	15,638	11,861	11,840	14,248	11,840	14,525	12,304	14,221	43.2%	6.2%	41.6%	14,319	14,161	13,441	-1.9%	32.0%
Sale of goods and services other than capital assets of which:	9,775	10,856	10,670	13,289	10,670	13,441	11,524	13,441	31.3%	7.4%	38.7%	13,441	13,441	13,441	-	30.5%
Administrative fees	9,775	10,856	10,670	13,289	10,670	13,441	11,524	13,441	31.3%	7.4%	38.7%	13,441	13,441	13,441	-	30.5%
Sales by market establishment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other non-tax revenue	5,863	1,005	1,170	959	1,170	1,084	780	780	11.9%	-8.1%	2.9%	878	720	-	-100.0%	1.4%
Transfers received	16,945	16,945	19,964	18,100	19,964	20,913	21,063	21,195	56.8%	7.7%	58.4%	30,041	35,086	37,051	20.5%	68.0%
Total revenue	32,583	28,806	31,804	32,348	31,804	35,438	33,367	35,416	100.0%	7.1%	100.0%	44,360	49,247	50,492	12.5%	100.0%
Expenses																
Current expenses	32,583	32,485	36,999	33,102	36,999	35,178	41,444	41,444	100.0%	8.5%	100.0%	47,022	50,080	53,166	8.7%	100.0%
Compensation of employees	20,412	16,170	21,659	19,096	21,659	21,223	24,182	23,853	58.9%	13.0%	56.3%	27,969	29,706	31,564	9.8%	58.9%
Goods and services	11,163	15,238	14,200	13,260	14,200	13,201	16,420	16,749	38.2%	3.2%	41.2%	18,209	19,480	20,658	7.2%	39.2%
Depreciation	1,009	1,077	1,140	746	1,140	754	842	842	2.9%	-7.9%	2.4%	844	894	944	3.9%	1.8%
Interest, dividends and rent on land	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenses	32,583	32,485	36,999	33,102	36,999	35,178	41,444	41,444	100.0%	8.5%	100.0%	47,022	50,080	53,166	8.7%	100.0%
Surplus/(Deficit)	-	(3,679)	(5,195)	(754)	(5,195)	260	(8,077)	(6,028)		17.9%		(2,662)	(833)	(2,674)	-23.7%	

The deficit reflected in 2017/2018 and 2018/2019 is funded by current accumulated surpluses held by the Tribunal and when capital expenditure is included the deficit currently reflected in 2019/2020 will increase to R 4.06m (additional funding required)

Annexure C: Summarised Five Year Budget 2016/2017 – 2020/2021.

CATEGORY	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
INCOME					
EDD GRANT REQUIRED	0	0	0	4,054,835	44,073,347
COMMITTED EDD GRANT	20,115,000	30,041,000	35,086,000	37,051,000	0
FEES RECEIVED	11,523,752	13,440,700	13,440,700	13,440,700	13,440,700
LEASE FUNDING	1,080,000	0	0	0	0
BAL BFWD	9,271,327	3,846,520	1,743,951	60,072	0
INTEREST RECEIVED	780,000	878,250	720,000	0	0
TOTAL INCOME	42,770,079	48,206,470	50,990,651	54,606,607	57,514,047
EXPENDITURE					
PERSONNEL	23,957,419	28,011,181	29,753,246	31,612,236	33,635,715
PT TRIBUNAL MEMBERS	4,149,420	4,523,986	4,704,946	4,893,143	5,088,869
TRAINING	1,346,959	1,768,855	1,873,217	1,978,117	2,088,892
CONFERENCES AND SEMINARS	463,052	364,327	385,823	407,429	430,245
SHARED SERVICE	621,945	696,343	737,427	778,723	822,332
FACILITY FEE	3,009,038	3,309,941	3,640,936	4,005,029	4,405,532
CONSULTING	369,215	250,089	264,844	279,675	295,337
LEGAL FEES	0	150,000	158,850	167,746	177,139
TRANSCRIPTION FEES	612,286	785,912	832,280	878,888	928,106
AUDIT EXPENSES	1,667,034	1,941,465	2,056,011	2,171,148	2,292,732
RECRUIT COSTS	0	162,896	172,507	182,167	192,369
ADMIN EXPENSES	1,579,516	1,770,476	1,874,934	1,979,930	2,090,806
AMORTISATION	229,469	256,845	271,999	287,231	303,316
DEPRECIATION	612,683	587,104	621,743	656,561	693,328
OTHER IT EXPENDITURE	2,138,180	1,772,687	2,023,508	2,137,725	2,254,365
REPAIRS/MAINTENANCE	44,313	41,352	43,791	46,244	48,833
TOTAL EXPENDITURE	40,800,526	46,393,458	49,416,062	52,461,992	55,747,916
APPEALS COURT BUDGET	642,491	628,913	666,019	703,316	742,702
TOTAL AS PER MTEF	41,443,017	47,022,372	50,082,081	53,165,308	56,490,618
CAPITAL EXPENDITURE	1,327,062	1,184,098	908,569	1,441,299	1,023,430
GRAND TOTAL	42,770,079	48,206,470	50,990,651	54,606,607	57,514,047
ANTICIPATED SURPLUS/(DEFICIT)	0	0	0	0	0

The 5 year budget is calculated by taking the 2017/2018 budget and

*Applying 5.9% increase to goods and services in 2018/2019 and then 5.6% for each year thereafter
 Annually inflating Tribunal members and SMS staff salaries by 4%
 Annually inflating part-time Tribunal fees by 4% annually
 Annually inflating non-sms staff salaries by 7.6% annually
 Assuming that the filing fees received from the Commission remains constant over the period
 Estimating the annual increase in the facility fee payable to the dti to be 10%*

Annexure D: Detailed One Year Budget - 2017/2018

BUDGET ITEM	ACTIVITY	2017/2018 BUDGET	PERCENTAGE
INCOME			
	FEES RECEIVED	13 440 700	27.88%
	EDD GRANT	30 041 000	62.32%
	ADDITIONAL GRANT REQD	0	0.00%
	LEASE FUNDING	0	0.00%
	BAL BFWD	3 846 520	7.98%
	INTEREST RECEIVED	878 250	1.82%
TOTAL INCOME		48 206 470	100%
EXPENDITURE			
PERSONNEL	SALARIES & ALLOWANCES	25 680 492	53.27%
	COMPANY CONTRIBUTIONS	934 863	1.94%
	CASUAL LABOUR	25 425	0.05%
	PERFORMANCE BONUS	1 370 401	2.84%
PT MEMBERS	TRIBUNAL MEMBERS	4 523 986	9.38%
TRAINING	TRAINING LOCAL	244 344	0.51%
	TRAINING OVERSEAS	203 708	0.42%
	AIR TRAVEL OVERSEAS	586 837	1.22%
	HOTEL ACCOMODATION OVERSEAS	153 210	0.32%
	SUBSISTENCE OVERSEAS	137 087	0.28%
	OECD MEETINGS	363 668	0.75%
	BURSARIES AND SCHOLARSHIPS	80 000	0.17%
CONFERENCES AND SEMINARS	CONFERENCES/SEMINARS/STUDY VISITS	325 036	0.67%
	DIVISIONAL MEETINGS	39 291	0.08%
SHARED SERVICES	PROF FEES - CC MANAGEMENT FEE	696 343	1.44%
FACILITY FEE/LEASE	PROF FEES - dti	3 309 941	6.87%
LEGAL FEES	LEGAL FEES	150 000	0.31%
CONSULTING	OTHER	250 089	0.52%
TRANSCRIPTION	RECORDING SERVICES	785 912	1.63%
AUDIT EXPENSES	EXTERNAL FEE	957 851	1.99%
	EXTERNAL AUDIT COMMITTEE	464 874	0.96%
	INTERNAL FEE	497 232	1.03%
	FPC MEETING	21 507	0.04%
RECRUIT COSTS	RECRUITMENT COSTS	162 896	0.34%
ADMIN EXPENSES	JMF EXPENSES	40 000	0.08%
	WCA	58 665	0.12%
	AIR TRAVEL	127 657	0.26%
	OTHER TRAVEL	25 743	0.05%
	MILEAGE	29 726	0.06%
	HOTEL ACCOMODATION - LOCAL	39 519	0.08%
	CAR RENTAL	18 200	0.04%

BUDGET ITEM	ACTIVITY	2017/2018 BUDGET	PERCENTAGE
ADMIN EXPENSES	PER DIEM ALLOWANCE	10 416	0.02%
	PARKING	64 682	0.13%
	BANK CHARGES	24 615	0.05%
	REFRESHMENTS	123 745	0.26%
	ENTERTAINMENT	7 200	0.01%
	PRINTING	84 310	0.17%
	STATIONERY	159 971	0.33%
	WEBSITE CONSULTING	100 000	0.21%
	TECHINICAL/SOFTWARE CONSULTING	438 997	0.91%
	ADVERTISING BROCHURES & PAMPHLETS	112 198	0.23%
	GOVERNMENT GAZETTE	37 224	0.08%
	PUBLIC RELATIONS	0	0.00%
	NEWSPAPER AND MAGAZINE SUBSCRIPTION	21 942	0.05%
	BOOKS AND PUBLICATIONS	21 783	0.05%
	COURIER SERVICES	5 696	0.01%
	POSTAGE AND STAMPS	1 912	0.00%
	TELEPHONES/TELEFAXES	38 424	0.08%
	CELL PHONES	6 900	0.01%
	FIRST AID	2 400	0.00%
	GIFTS AND FLOWERS	8 437	0.02%
	GENERAL HOUSEKEEPING	9 000	0.02%
	OFFSITE STORAGE	49 274	0.10%
	INSURANCE	101 841	0.21%
OTHER IT EXPENSES	LEASE- PHOTOCOPIER	214 571	0.45%
	COMPUTER SOFTWARE	624 421	1.30%
	R&M COMPUTERS	627 558	1.30%
	INTERNET SERVICES	87 152	0.18%
	EMAIL ARCHIVING	47 260	0.10%
	WEBSITE SERVICE PROVIDER	171 725	0.36%
REPAIRS/MAINTENANCE	LOOSE TOOLS	20 000	0.04%
	FUEL, R&M MOTOR VECHILES	18 352	0.04%
	REPAIRS & MAINTENANCE	3 000	0.01%
DEPRECIATION	DEPRECIATION	587 104	1.22%
	AMORTISATION	256 845	0.53%
CAPITAL EXPENDITURE	COMPUTER EQUIPMENT - COST	281 134	0.58%
	INTANGIBLE ASSETS	779 924	1.62%
	FURNITURE AND FITTINGS - COST	110 345	0.23%
	MOTOR VECHILE - COST	0	0.00%
	OFFICE EQUIPMENT	12 695	0.03%
TOTAL		47 577 557	98.70%
APPEAL COURT		628 913	1.30%
TOTAL EXPENDITURE		48 206 470	100.00%
SURPLUS/ (DEFICIT)			

Annexure E: Audited Actual, Estimated and Medium Term Targets

Goal Statement 1: To ensure effective and efficient adjudication on matters brought before the Tribunal.

Strategic objective statements	Outcome	KPI	Target						
			Audited actual Performance			Estimated Performance			
			2013/2014	2014/2015	2015/2016	2016/2017	2017-2018	2018-2019	2019-2020
1.1 Matters brought before the Tribunal are heard within the adopted delivery time frames	Hearings are set down within required timeframes	% of large mergers to be set down for the beginning of a hearing or a pre-hearing, within 10 business days of filing of the merger referral	74%	80%	76%	75%	75%	75%	75%
			100%	75%	44%	75%	75%	75%	75%
1.2 Improvement in the Issuing of judgements/decisions in line with adopted timeframes	Expeditious Conclusion of matters	% of large merger orders issued to parties within 10 business days of last hearing date % of large merger reasons issued to parties within 20 business days of	100%	100%	100%	95%	95%	95%	95%
			82%	85%	87%	70%	70%	70%	70%

Strategic objective statements	Outcome	KPI	Target																		
			Audited actual Performance			Estimated Performance		Medium Term Targets													
			2013/2014	2014/2015	2015/2016	2016/2017		2017-2018	2018-2019	2019-2020											
	order being issued																				
	% of intermediate and small merger consideration orders issued to parties within 10 business days of last hearing date	No orders issued in this period	100%	100%	100%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%	
	% of intermediate and small merger consideration reasons issued within 20 business days of order being issued	No reasons were issued in this period	0%	0%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%	
	Reasons for prohibited practices cases ³ issued to parties in accordance with the delivery timeframes per category: A, B or C	New annual target in 2015/2016			A- ⁴ No reasons issued B- No reasons issued C- 100%	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	
	% of procedural matters ⁵ orders issued to parties within 20		85%	87%	73%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%	85%

³ Prohibited practice cases refer to all complaints from the commission, the complainant and the High Court

⁴ A refers to Simple matter, B to Complex matter and C to Very Complex matter

⁵ Procedural matters includes interlocutory applications

Strategic objective statements	Outcome	KPI	Target													
			Audited actual Performance			Estimated Performance 2016/2017	Medium Term Targets									
			2013/2014	2014/2015	2015/2016		2017-2018	2018-2019	2019-2020							
1.3 Enhancing record keeping, performance information and caseload management by harnessing facility and functionality of business applications	Improved management information to inform strategic decision making and access to historical data	business days of the last hearing date														
		% of orders for consent orders and settlement agreements issued to parties within 10 business days of the last hearing date	98%	100%	96%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%	90%
		% of interim relief reasons issued to parties within 20 business days of last hearing date.	0%	100%	No reasons issued	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
		Enhancement of case management system facility in line with project plan ⁶	New annual target in 2015/2016				Phase 2 had UAT ⁷ after various scopes of work (SOW) completed. Project set to end March 2016. Fully implemented and operative before 31 March 2016	Feasibility study of automation opportunities completed by December 2016								KPI removed in 2017/2018 and restated below as KPI -- "CMS deemed to be sustainable"

⁶ This KPI has been removed in the 2017/2018 APP and replaced with the KPI referred to in footnote 8 in the approved amended APP (7 February 2018).

⁷ UAT refers to User Acceptance Testing.

Strategic objective statements	Outcome	KPI	Target						
			Audited actual Performance		Estimated Performance 2016/2017	Medium Term Targets			
			2013/2014	2014/2015		2015/2016	2017-2018	2018-2019	2019-2020
		CMS deemed to be sustainable ⁸	New target in 2017/2018				Sustainability of CMS system confirmed	Sustainability of CMS system confirmed	Sustainability of CMS system confirmed
		Reduced reliance on manual performance reporting by 2020 according to agreed plan ⁹	New annual target in 2015/2016	No formal plan in place but manual reliance being reduced	No formal agreed plan Type of additional reports and enhancement of current reports identified. The Tribunal has been focussing on the development/enhancement of these thus allowing us to reduce reliance on manual reports and rely more system generated reports. Data verified electronically as opposed to manually.	KPI removed for 2017/2018 and restated as "Models developed and implemented that generate statistics pertaining to the adjudicative process"			
		Models developed and implemented that generate statistics pertaining to the adjudicative process ¹⁰	New target in 2017/2018				Develop and implement a model that generates reports based on statistics relating to adjudicative process	Assess models for enhancements and determine if any new models needs to be implemented	Implement enhancements/new models based on agreed plan and conduct annual assessment to determine further enhancements or new models

⁸ This KPI has been included in the approved amended 2017/2018 APP (7 February 2018) and replaced the KPI removed and referred to in footnote 6.

⁹ This KPI has been removed in the 2017/2018 APP and replaced with the KPI referred to in footnote 10 in the approved amended APP (7 February 2018).

¹⁰ This KPI has been included in the approved amended 2017/2018 APP (7 February 2018) and replaced the KPI removed and referred to in footnote 9.

Effective stakeholder relationships.

KPI	Audited actual Performance				Estimated Performance 2016/2017	Target		
	2013/2014	2014/2015	2015/2016	2016/2017		2017-2018	2018-2019	2019-2020
	4							
Communication plan reviewed and presented in line with EXCO agreement and timeframes ¹¹	New annual target in 2015/2016	Plan not finally approved but has been submitted to EXCO and OPCOM. Plan has been implemented.	Communication Framework finalised and approved by the EXCO.	Target removed as KPI met. New KPI stated as "Communication framework reviewed annual and quarterly communication report on strategy and media coverage presented to EXCO"				
Communication framework reviewed and presented in line with EXCO agreement and timeframes ¹¹	New annual target in 2016/2017	Implement plan against agreed timeframes	Target removed as KPI met. New KPI stated as "Communication framework reviewed annual and quarterly communication report on strategy and media coverage presented to EXCO"					
Communication framework reviewed and presented in line with EXCO agreement and timeframes ¹¹	New annual target in 2017/2018	Implement plan against agreed timeframes	Implement plan against agreed timeframes	Target removed as KPI met. New KPI stated as "Communication framework reviewed annual and quarterly communication report on strategy and media coverage presented to EXCO"	Implement recommended changes to framework. Communication strategy and media coverage reported quarterly	Annual review of framework and report quarterly on communication strategy and media coverage	Annual review of framework and report quarterly on communication strategy and media coverage	
Communication framework reviewed and presented in line with EXCO agreement and timeframes ¹¹	New annual target in 2016/2017	Report on implementation against plan by March 2017	Report on implementation against plan by March 2017	KPI and target removed as new KPI "Communication framework reviewed annual and quarterly communication report on strategy and media coverage presented to EXCO" allows for annual review and quarterly reports.				

Strategic objective statements	Outcome	KPI	Target									
			Audited actual Performance				Estimated Performance 2016/2017	Medium Term Targets				
			2013/2014	2014/2015	2015/2016	2017-2018		2018-2019	2019-2020			
		against approved plan ¹³										
2.2 Ensure communication pertaining to Tribunal's adjudicative process is issued to the stakeholders within adopted delivery timeframes	Timely and compliant communication of adjudication outcomes	% of press releases of final merger decisions communicated within 2 business days of order date	98%	100%	92%	75%	75%	75%				
		% of press releases of final decisions in prohibited practices communicated within 2 business days of order date	100%	90%	100%	100%	100%	100%	100%			
		Number of Tribunal Tribunes published annually and distributed according to agreed distribution list	3 to 86 stakeholders	3 to 55 stakeholders	2 to 55 stakeholders	N/A – An executive decision was taken in 2015/2016 to terminate the Tribune in its current format and redesign the newsletter for distribution next year.						
	Level of stakeholder satisfaction	Stakeholder satisfaction survey results	75% satisfaction level	New target in 2015/2016	Plan delayed due to late appointment of communications officer							Satisfaction survey is conducted by March 2019 and Satisfaction levels targeted at 75% ¹⁴

¹³ This KPI has been included in the amended 2017/2018 APP (7 February 2018) and replaced the KPI removed and referred to in footnote 11

¹⁴ Target moved to 2018/2019 financial year as not applicable in 2017/2018

Goal Statement 3: To ensure the Tribunal has effective strategic leadership, administration and management through adherence to good corporate governance and sound business practices.

Strategic objective statements	Outcome	KPI	Target								
			Audited actual Performance		Estimated Performance 2015/2016	Medium Term Targets					
			2013/2014	2014/2015		2015/2016	2017-2018	2018-2019	2019-2020		
3.1 Increase the level of compliance with the prescripts of good governance	Accountable and transparent Public Entity	Achieve an unqualified audit outcome year on year	New annual target in 2013/2014	New annual target in 2015/2016	Final report not qualified but irregular expenditure disclosed.	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised
3.2 Maintain effective oversight structures that promote solid business practice	Sound Business Practice	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016	New annual target in 2015/2016	Final report - no issues of governance raised	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised	Unqualified audit – no issues of governance raised
3.3 Ensure financial management that promotes effective and efficient use of resources	Optimal financial resource allocation and utilisation	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016	New annual target in 2015/2016	Final report not qualified but fruitless and wasteful expenditure disclosed.	Unqualified audit – no findings of fruitless/wasteful expenditure	Unqualified audit – no findings of fruitless/wasteful expenditure	Unqualified audit – no findings of fruitless/wasteful expenditure	Unqualified audit – no findings of fruitless/wasteful expenditure	Unqualified audit – no findings of fruitless/wasteful expenditure	Unqualified audit – no findings of fruitless/wasteful expenditure
3.4 Ensure a sound control environment and monitor and maintain compliance and ensure that all reporting requirements are met	Compliance to requirements as an accountable, transparent Institution	Submission against annual deadline and no material misstatements for May submission	New annual target in 2015/2016	New annual target in 2015/2016	Final report - no material misstatements	No material misstatements on May submission	No material misstatements on May submission	No material misstatements on May submission	No material misstatements on May submission	No material misstatements on May submission	No material misstatements on May submission
			New annual target in 2015/2016	New annual target in 2015/2016	AR submitted within required timeframes	Annual reporting submission dates met May and July	Annual reporting submission dates met May and July	Annual reporting submission dates met May and July	Annual reporting submission dates met May and July	Annual reporting submission dates met May and July	Annual reporting submission dates met May and July
	Integrated risk management processes and	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016	New annual target in 2015/2016	Final report - no risk management issues raised	Unqualified audit – no issues of risk	Unqualified audit – no issues of risk	Unqualified audit – no issues of risk	Unqualified audit – no issues of risk	Unqualified audit – no issues of risk	Unqualified audit – no issues of risk

Strategic objective statements	Outcome	KPI	Target							
			Audited actual Performance			Estimated Performance 2015/2016	Medium Term Targets			
			2013/2014	2014/2015	2015/2016		2017-2018	2018-2019	2019-2020	
3.5 Ensure that the Tribunal effectively leverages employee skills by recruiting, retaining and developing high quality people	combined assurance Strengthen the Tribunal's organisational capacity and performance to deliver on its legislative mandate	Implementation of Case Management Graduate Internships against plan		New annual target in 2015/2016	Policy in final draft and two interns employed	Graduate internship policy and plan implemented	Graduate internship targets meet plan requirements	Graduate internship targets meet plan requirements	Graduate internship targets meet plan requirements	

Annexure F: Annual performance indicators, quarterly and annual targets for 2017/2018

Goal Statement 1: To ensure effective and efficient adjudication on matters brought before the Tribunal.

	Outcome	KPI	Base Line	Annual	Target				Budget
					Q 1	Q 2	Q 3	Q 4	
1.1 Matters brought before the Tribunal are heard within the adopted delivery time frames	Hearings are set down within required timeframes	% of large mergers to be set down for the beginning of a hearing or a pre-hearing, within 10 business days of filing of the merger Referral	75%	75%	75%	75%	75%	75%	R 23 310 151.72
		% of intermediate and small merger considerations to be set down for a the beginning of a hearing or a pre-hearing, within 10 business days of filing of the request for consideration	76%	75%	75%	75%	75%	75%	
1.2 Improvement in the Issuing of judgments/ decisions in line with adopted timeframes	Expeditious Conclusion of matters	% of large merger orders issued to parties within 10 business days of last hearing date	100%	95%	95%	95%	95%	95%	
		% of large merger reasons issued to parties within 20 business days of order being issued	68%	70%	70%	70%	70%	70%	
		% of intermediate and small merger consideration orders	100%	95%	95%	95%	95%	95%	

Outcome	KPI	Base Line	Annual	Target				Budget
				Q1	Q2	Q3	Q4	
	issued to parties within 10 business days of last hearing date							
	% of intermediate and small merger considerations reasons issued to parties within 20 business days of order being issued	41%	60%	60%	60%	60%	60%	
	Reasons for prohibited practices cases ¹⁵ issued to parties in accordance with the delivery timeframes per category: A, B or C	New annual target	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	A - 100 business days B - 125 business days C - 150 business days	
	% of procedural matter ¹⁷ orders issued to parties within 20 business days of last hearing date	82%	85%	85%	85%	85%	85%	

¹⁵ Prohibited practice cases refer to all complaints from the commission, the complainant and the High Court

¹⁶ A refers to Simple matter, B to Complex matter and C to Very Complex matter

¹⁷ Procedural matters includes interlocutory applications

	Outcome	KPI	Base Line	Annual	Target				Budget
					Q 1	Q 2	Q 3	Q 4	
1.3 Enhancing record keeping, performance information and caseload management by harnessing facility and functionality of business applications	Improved management information to inform strategic decision making and access to historical data	% of orders for consent order and settlement agreements issued to parties within 10 business days of last hearing date	96%	90%	90%	90%	90%	90%	
		% of interim relief reasons issued to parties within 20 business days of last hearing date	0%	100%	100%	100%	100%	100%	
		CMS deemed to be sustainable ¹⁸	New target in 2017/2018	Sustainability of CMS system confirmed	Annually confirm sustainability of CMS system and reported on in quarterly report				R 2 346 999.58
		Models developed and implemented that generate statistics pertaining to the adjudicative process ¹⁹	New target in 2017/2018	Develop and implement a model that generates reports based on statistics relating to adjudicative process	Annually report on progress with model development in quarterly report				

¹⁸ New KPI included in approved amended 2017/2018 APP (7 February 2018)

¹⁹ New KPI included in approved amended 2017/2018 APP (7 February 2018)

Goal Statement 2: To build and develop effective stakeholder relationships.

Strategic Objective Statement	Outcome	KPI	Base Line	Annual	Target				Budget
					Q.1	Q.2	Q.3	Q.4	
2.1 Ensure that an integrated Communication plan is developed and implemented	A structured and focussed process to create and enhance awareness of the work of the Tribunal	Communication framework reviewed annually and quarterly communication report on strategy and media coverage presented to EXCO ²⁰	New target in 2017/2018	Implement recommended changes to framework. Communication strategy and media coverage reported quarterly	Communication strategy and media coverage reported quarterly	Communication strategy and media coverage reported quarterly	Communication strategy and media coverage reported quarterly. Implement recommended changes to framework	R1.152 965.92	
2.2 Ensure communication pertaining to final decisions in mergers and prohibited cases are made public within adopted delivery timeframes	Timely and compliant communication of Adjudication outcomes	% of press releases of final merger decisions and prohibited practice decisions communicated within 2 business days of order date	Mergers 75% Prohibited practices 100%	75%	75%	75%	75%		

²⁰ New KPI included in approved amended 2017/2018 APP (7 February 2018)

Strategic Objective Statement	Outcome	KPI	Base Line	Annual	Target				Budget
					Q 1	Q 2	Q 3	Q 4	
2.3 Identify and address stakeholder needs and expectations in order to meet or exceed requirements	Level of stakeholder satisfaction	Planned and Implemented actions against stakeholder satisfaction survey results	Adjudicative process - 75% stakeholder satisfaction	No survey scheduled for this year					

Goal Statement 3: To ensure the Tribunal has effective strategic leadership, administration and management through adherence to good corporate governance and sound business practices.

Strategic Objective Statement	Outcome	KPI	Base Line	Annual	Target				Budget	
					Q1	Q2	Q3	Q4		
3.1 Increase the level of compliance with the prescripts of good governance	Accountable and transparent Public Entity	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016	Unqualified audit – no issues of governance raised	-	Unqualified audit – no issues of governance raised	-	-	-	R 3 841 871.41
3.2 Maintain effective oversight structures that promote solid business practice	Sound Business Practice	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016	Unqualified audit – no issues of governance raised	-	Unqualified audit – no issues of governance raised	-	-	-	
3.3 Ensure financial management that promotes effective and efficient use of resources	Optimal financial resource allocation and utilisation	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016	Unqualified audit – no findings of fruitless /wasteful expenditure	-	Unqualified audit –no findings of fruitless/wasteful expenditure	-	-	-	R 2 159 152 62
3.4 Ensure a sound control environment and monitor	Compliance to requirements as an accountable,	No material misstatements for May submission	New annual target in 2015/2016	No material misstatement on May submission	-	No material Misstatements on May submission	-	-	-	

Strategic Objective Statement	Outcome	KPI	Base Line	Annual	Target				Budget
					Q1	Q2	Q3	Q4	
compliance and ensure that all reporting requirements are met	transparent institution	Submission against annual deadline		Annual reporting submission dates met May and July	Annual reporting submission dates met May and July	Annual reporting submission dates met May and July	Annual reporting submission dates met May and July		
	Integrated risk management processes and combined assurance	Achieve an unqualified audit outcome year on year	New annual target in 2015/2016	Unqualified audit – no issues of risk management raised	Unqualified audit –no issues of risk management raised	Unqualified audit –no issues of risk management raised	Unqualified audit –no issues of risk management raised		
3.5 Ensure that the Tribunal effectively leverages employee skills by recruiting, retaining and developing high quality people	Strengthen the Tribunal's organisational capacity and performance to deliver on its legislative mandate	Implementation of case management graduate internships against plan	New annual target in 2015/2016	Graduate internship targets meet plan requirements	Graduate internship targets meet plan requirements	Graduate internship targets meet plan requirements	Graduate internship targets meet plan requirements	Graduate internship targets meet plan requirements	R 3 039 301.35

Annexure G: Expenditure allocation by objective – MTEF submission November 2016.

	Audited Outcome		Audited Outcome		Preliminary outcome		Revised estimate		Average growth rate (%)		Expenditure total: Average (%)		Average growth rate (%)		Expenditure total: Average (%)		
	2013/14	2014/15	2014/15	2015/16	2016/17	2013/14-2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20	2017/18	2018/19	2019/20	2016/17 - 2019/20	2017/18	2018/19	2019/20
R thousand																	
Administration	14,168	14,452	14,452	8,522	9,014	-14.0%	10,543	11,362	12,238	33.3%	10,543	11,362	12,238	10.7%	10,543	11,362	12,238
Ensure the effective and efficient adjudication on matters bro.	16,179	16,455	16,455	18,373	20,865	8.8%	23,310	24,574	25,909	50.5%	23,310	24,574	25,909	7.5%	23,310	24,574	25,909
Educate and create awareness of competition matters to trib.	729	871	871	836	1,092	14.4%	1,153	1,237	1,327	2.5%	1,153	1,237	1,327	6.7%	1,153	1,237	1,327
Enhance the expertise of tribunal staff	980	1,000	1,000	999	2,121	29.4%	3,039	3,234	3,435	3.5%	3,039	3,234	3,435	17.4%	3,039	3,234	3,435
Competition Appeal Court	429	324	324	308	642	14.4%	629	666	703	1.2%	629	666	703	3.1%	629	666	703
Ensure the Tribunal has effective strategic leadership, admi	-	-	-	2,978	3,440	-	3,842	4,041	4,244	4.2%	3,842	4,041	4,244	7.3%	3,842	4,041	4,244
Enhance record keeping, performance information and case	-	-	-	1,836	2,679	-	2,347	2,643	2,810	2.9%	2,347	2,643	2,810	1.6%	2,347	2,643	2,810
Ensure financial management that promotes effective and effi	-	-	-	1,326	1,591	-	2,159	2,323	2,500	1.9%	2,159	2,323	2,500	16.3%	2,159	2,323	2,500
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expense	32,485	33,102	33,102	35,178	41,444	8.5%	47,022	50,080	53,166	100.0%	47,022	50,080	53,166	8.7%	47,022	50,080	53,166

Annexure H: Materiality Framework

Materiality Framework in terms of Treasury Regulation 28.3.1

1 Definitions

Accounting Authority : The Competition Tribunal Chairperson

Executive Authority : Minister of Economic Development

PFMA : The Public Finance Management Act (Act 1 of 1999 as amended by Act 29 of 1999)

Treasury Regulations as issued in terms of section 76 of the Public Finance Management Act, 1999.

2 Introduction

28.3.1 For purposes of material [section 55(2) the Act] and significant [section 54(2) of the Act], the accounting authority must develop and agree a framework of acceptable levels of materiality and significance with the relevant executive authority.

3 Framework

PFMA Section	Quantitative [Amount]	Qualitative [Nature]
	Materiality figure for the year ending March 2018 is R 485 689.52	
<p>S55 Annual report and financial statements (PFMA Section 55) (2) The annual report and financial statements referred to in subsection (1) (d) must—</p> <p>(a) fairly present the state of affairs of the public entity, its business, its financial results, its performance against predetermined objectives and its financial position as at the end of the financial year concerned;</p> <p>(b) include particulars of—</p>		
<p>(i) any material losses through criminal conduct and any irregular expenditure and fruitless and wasteful expenditure that occurred during the financial year:</p> <p>(ii) any criminal or disciplinary steps taken as a consequence of such losses or irregular expenditure or fruitless and wasteful expenditure;</p> <p>(iii) any losses recovered or written off;</p> <p>(iv) any financial assistance received from the state and commitments made by the state on its behalf; and</p> <p>(v) any other matters that may be prescribed</p>	<p>1. Losses through criminal conduct –any loss identified.</p> <p>2. Losses through irregular / fruitless / wasteful expenditure.</p>	Any identified loss through criminal conduct.

PFMA Section	Quantitative [Amount]	Qualitative [Nature]
S54		
Information to be submitted by accounting authorities (PFMA section 54)		
(2) Before a public entity concludes any of the following transactions, the accounting authority for the public entity must promptly and in writing inform the relevant treasury of the transaction and submit relevant particulars of the transaction to its executive authority for approval of the transaction:	Not applicable	Not Applicable
(a) establishment or participation in the establishment of a company;	Not applicable	Not applicable
(b) participation in a significant partnership, trust, unincorporated joint venture or similar arrangement;	Not applicable	Not applicable
(c) acquisition or disposal of a significant shareholding in a company;	Not applicable	Not applicable
(d) acquisition or disposal of a significant asset;	Not applicable	Any asset that would increase or decrease the overall operational functions of the Tribunal, outside of the approved strategic plan and budget
(e) commencement or cessation of a significant business activity; and	Not applicable	Not applicable
(f) a significant change in the nature or extent of its interest in a significant partnership, trust, unincorporated joint venture or similar arrangement.	Not applicable	Not applicable

4 Authorisation

This framework was adopted by the Tribunal in August 2016

Determination of Materiality

	% max	2015/2016 (audited)	1%
Materiality bases			
Gross Revenue (excl. EDD grant)	1	R 13 440 700.00	R 134 407.00
Total expenses	1	R 35 128 251.52	R 351 282.52
Materiality figure			R 485 689.52

- Due to the nature of the business of the Competition Tribunal (it is not a capital intensive business) the best indicator with regard to business activity is revenue and expenditure. The Tribunal has taken the average of 1% of actual revenue and actual expenditure in 2015/2016 to determine the materiality figure for 2017/2018.

- Using the calculation described above the Tribunal's recommended materiality figure for 2016/2017 is R 485 689.52.

Annexure I: Technical Indicator Descriptions

(DUE TO THE SIZE OF THIS DOCUMENT ANNEXURE I IS SUBMITTED AS A SEPARATE DOCUMENT)